

UNITED STATES DEPARTMENT OF COMMERCE  
BUREAU OF INDUSTRY AND SECURITY  
WASHINGTON, D.C. 20230

\_\_\_\_\_  
In the Matter of: )  
 )  
TW Metals, Inc. )  
760 Constitution Drive )  
Exton, PA 19341-0644 )  
 )  
 )  
Respondent )  
\_\_\_\_\_

ORDER RELATING TO TW METALS, INC.

The Bureau of Industry and Security, U.S. Department of Commerce (“BIS”) has notified TW Metals, Inc. (“TW Metals”) of its intention to initiate an administrative proceeding against TW Metals pursuant to Section 766.3 of the Export Administration Regulations (the “Regulations”),<sup>1</sup> and Section 13(c) of the Export Administration Act of 1979, as amended (the “Act”),<sup>2</sup> through the issuance of a Proposed Charging Letter to TW Metals that alleged that TW Metals committed forty-nine violations of the Regulations. Specifically, the charges are:

**Charges 1-48            15 C.F.R. § 764.2(a) - Engaging in Prohibited Conduct by Exporting Titanium Alloy to the People’s Republic of China Without the Required Licenses**

On 48 occasions between on or about April 20, 2004 and on or about August 16, 2007, TW Metals engaged in conduct prohibited by the Regulations by exporting titanium alloy, an item classified under Export Control Classification Number (“ECCN”) 1C202 and controlled for

<sup>1</sup> The Regulations are currently codified in the Code of Federal Regulations at 15 C.F.R. Parts 730-774 (2010). The charged violations occurred during 2004 to 2007. The Regulations governing the violations at issue are found in the 2004 to 2007 versions of the Code of Federal Regulations (15 C.F.R. Parts 730-774 (2004-07)). The 2010 Regulations set forth the procedures that apply to this matter.

<sup>2</sup> 50 U.S.C. app. §§ 2401-2420 (2000). Since August 21, 2001, the Act has been in lapse and the President, through Executive Order 13,222 of August 17, 2001 (3 C.F.R., 2001 Comp. 783 (2002)), as extended most recently by the Notice of August 12, 2010 (75 Fed. Reg. 50,681 (Aug. 16, 2010)), has continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. § 1701 *et seq.* (2000)).

reasons of nuclear nonproliferation, through Canada to the People's Republic of China without the Department of Commerce licenses required by Section 742.3 of the Regulations. Pursuant to Section 734.2(b)(6) of the Regulations, the export or reexport of items subject to the Regulations that will transit through a country or be transshipped in a country to a new country or are intended for reexport to the new country, are deemed to be exports to the new country. In so doing, TW Metals committed 48 violations of Section 764.2(a) of the Regulations.

**Charge 49 15 C.F.R. § 764.2(a) - Engaging in Prohibited Conduct by Exporting Aluminum Bar to Israel Without the Required License**

On or about July 19, 2007, TW Metals engaged in conduct prohibited by the Regulations by exporting aluminum bar, an item classified under ECCN 1C202 and controlled for reasons of nuclear nonproliferation, through Canada to Israel without the Department of Commerce license required by Section 742.3 of the Regulations. Pursuant to Section 734.2(b)(6) of the Regulations, the export or reexport of items subject to the Regulations that will transit through a country or be transshipped in a country to a new country or are intended for reexport to the new country, are deemed to be exports to the new country. In so doing, TW Metals committed one violation of Section 764.2(a) of the Regulations.

WHEREAS, BIS and TW Metals have entered into a Settlement Agreement pursuant to Section 766.18(a) of the Regulations, whereby they agreed to settle this matter in accordance with the terms and conditions set forth therein; and

WHEREAS, I have approved of the terms of such Settlement Agreement;

IT IS THEREFORE ORDERED:

FIRST, that a civil penalty of \$575,000 is assessed against TW Metals, which shall be paid to the U.S. Department of Commerce within 30 days from the date of entry of this Order. Payment shall be made in the manner specified in the attached instructions.

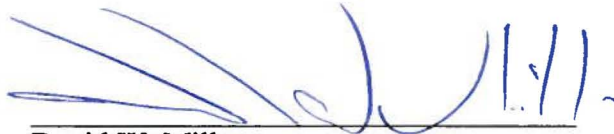
SECOND, that, pursuant to the Debt Collection Act of 1982, as amended (31 U.S.C. §§ 3701-3720E (2000)), the civil penalty owed under this Order accrues interest as more fully described in the attached Notice, and if payment is not made by the due date specified herein, TW Metals will be assessed, in addition to the full amount of the civil penalty and interest, a penalty charge and an administrative charge, as more fully described in the attached Notice.

THIRD, that the timely payment of the civil penalty set forth above is hereby made a condition to the granting, restoration, or continuing validity of any export license, license

exception, permission, or privilege granted, or to be granted, to TW Metals. Accordingly, if TW Metals should fail to pay the civil penalty in a timely manner, the undersigned may issue an Order denying all of TW Metals' export privileges under the Regulations for a period of one year from the date of this Order.

FOURTH, that the Proposed Charging Letter, the Settlement Agreement, and this Order shall be made available to the public.

This Order, which constitutes the final agency action in this matter, is effective immediately.



David W. Mills  
Assistant Secretary of Commerce  
for Export Enforcement

Issued this 11 day of March, 2011.

UNITED STATES DEPARTMENT OF COMMERCE  
BUREAU OF INDUSTRY AND SECURITY  
WASHINGTON, D.C. 20230

In the Matter of: )  
 )  
TW Metals, Inc. )  
760 Constitution Drive )  
Exton, PA 19341-0644 )  
 )  
Respondent )

SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is made by and between TW Metals, Inc. ("TW Metals") and the Bureau of Industry and Security, U.S. Department of Commerce ("BIS") (collectively, the "Parties"), pursuant to Section 766.18(a) of the Export Administration Regulations (the "Regulations"),<sup>1</sup> issued pursuant to the Export Administration Act of 1979, as amended (the "Act").<sup>2</sup>

WHEREAS, on February 7, 2008 and April 30, 2008, TW Metals filed a voluntary self-disclosure with BIS's Office of Export Enforcement in accordance with Section 764.5 of the Regulations concerning the transactions at issue herein;

<sup>1</sup> The Regulations are currently codified in the Code of Federal Regulations at 15 C.F.R. Parts 730-774 (2010). The charged violations occurred during 2004 to 2007. The Regulations governing the violations at issue are found in the 2004 to 2007 versions of the Code of Federal Regulations (15 C.F.R. Parts 730-774 (2004-07)). The 2010 Regulations set forth the procedures that apply to this matter.

<sup>2</sup> 50 U.S.C. app. §§ 2401-2420 (2000). Since August 21, 2001, the Act has been in lapse and the President, through Executive Order 13,222 of August 17, 2001 (3 C.F.R., 2001 Comp. 783 (2002)), as extended most recently by the Notice of August 12, 2010 (75 Fed. Reg. 50,681 (Aug. 16, 2010)), has continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. § 1701 *et seq.* (2000)).

WHEREAS, BIS has notified TW Metals of its intention to initiate an administrative proceeding against TW Metals, pursuant to the Act and the Regulations;

WHEREAS, BIS has issued a Proposed Charging Letter to TW Metals that alleged that TW Metals committed forty-nine violations of the Regulations, specifically:

**Charges 1-48      15 C.F.R. § 764.2(a) - Engaging in Prohibited Conduct by Exporting Titanium Alloy to the People's Republic of China Without the Required Licenses**

On 48 occasions between on or about April 20, 2004 and on or about August 16, 2007, TW Metals engaged in conduct prohibited by the Regulations by exporting titanium alloy, an item classified under Export Control Classification Number ("ECCN") 1C202 and controlled for reasons of nuclear nonproliferation, through Canada to the People's Republic of China without the Department of Commerce licenses required by Section 742.3 of the Regulations. Pursuant to Section 734.2(b)(6) of the Regulations, the export or reexport of items subject to the Regulations that will transit through a country or be transhipped in a country to a new country or are intended for reexport to the new country, are deemed to be exports to the new country. In so doing, TW Metals committed 48 violations of Section 764.2(a) of the Regulations.

**Charge 49      15 C.F.R. § 764.2(a) - Engaging in Prohibited Conduct by Exporting Aluminum Bar to Israel Without the Required License**

On or about July 19, 2007, TW Metals engaged in conduct prohibited by the Regulations by exporting aluminum bar, an item classified under ECCN 1C202 and controlled for reasons of nuclear nonproliferation, through Canada to Israel without the Department of Commerce license required by Section 742.3 of the Regulations. Pursuant to Section 734.2(b)(6) of the Regulations, the export or reexport of items subject to the Regulations that will transit through a country or be transhipped in a country to a new country or are intended for reexport to the new country, are deemed to be exports to the new country. In so doing, TW Metals committed one violation of Section 764.2(a) of the Regulations.

WHEREAS, TW Metals has reviewed the Proposed Charging Letter and is aware of the allegations made against it and the administrative sanctions which could be imposed against it if the allegations are found to be true;

WHEREAS, TW Metals fully understands the terms of this Agreement and the Order ("Order") that the Assistant Secretary of Commerce for Export Enforcement will issue if he approves this Agreement as the final resolution of this matter;

WHEREAS, TW Metals enters into this Agreement voluntarily and with full knowledge of its rights;

WHEREAS, TW Metals states that no promises or representations have been made to it other than the agreements and considerations herein expressed;

WHEREAS, TW Metals neither admits nor denies the allegations contained in the Proposed Charging Letter;

WHEREAS, TW Metals wishes to settle and dispose of all matters alleged in the Proposed Charging Letter by entering into this Agreement; and

WHEREAS, TW Metals agrees to be bound by the Order, if issued;

NOW THEREFORE, the Parties hereby agree, for purposes of this Settlement Agreement, as follows:

1. BIS has jurisdiction over TW Metals, under the Regulations, in connection with the matters alleged in the Proposed Charging Letter.

2. The following sanction shall be imposed against TW Metals in complete settlement of the alleged violations of the Regulations relating to the transactions specifically detailed in the Proposed Charging Letter:

a. TW Metals shall be assessed a civil penalty in the amount of \$575,000, which shall be paid to the U.S. Department of Commerce within 30 days of the date of the Order. Payment shall be made in the manner specified in the attached instructions.

b. The timely payment of the civil penalty agreed to in paragraph 2.a is hereby made a condition to the granting, restoration, or continuing validity of any export license, permission, or privilege granted, or to be granted, to TW Metals. Failure to make timely payment of the civil penalty set forth above may result in the denial of all of TW Metals' export privileges for a period of one year from the date of imposition of the penalty.

3. Subject to the approval of this Agreement pursuant to paragraph 8 hereof, TW Metals hereby waives all rights to further procedural steps in this matter (except with respect to any alleged violations of this Agreement or the Order, if issued), including, without limitation, any right to: (a) an administrative hearing regarding the allegations in any charging letter; (b) request a refund of any civil penalty paid pursuant to this Agreement and the Order, if issued; and (c) seek judicial review or otherwise contest the validity of this Agreement or the Order, if issued.

4. BIS agrees that, upon issuance of the Order, it will not initiate any further administrative proceeding against TW Metals in connection with any violation of the Act or the Regulations arising out of the transactions specifically detailed in the Proposed Charging Letter.

5. BIS will make the Proposed Charging Letter, this Agreement, and the Order, if issued, available to the public.

6. This Agreement is for settlement purposes only. Therefore, if this Agreement is not accepted and the Order is not issued by the Assistant Secretary of Commerce for Export Enforcement pursuant to Section 766.18(a) of the Regulations, no Party may use this Agreement in any administrative or judicial proceeding and the Parties

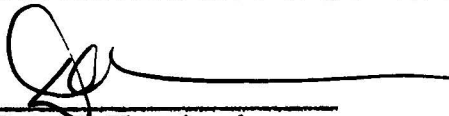
shall not be bound by the terms contained in this Agreement in any subsequent administrative or judicial proceeding.

7. No agreement, understanding, representation or interpretation not contained in this Agreement may be used to vary or otherwise affect the terms of this Agreement or the Order, if issued; nor shall this Agreement serve to bind, constrain, or otherwise limit any action by any other agency or department of the U.S. Government with respect to the facts and circumstances addressed herein.

8. This Agreement shall become binding on the Parties only if the Assistant Secretary of Commerce for Export Enforcement approves it by issuing the Order, which will have the same force and effect as a decision and order issued after a full administrative hearing on the record.

9. Each signatory affirms that he has authority to enter into this Settlement Agreement and to bind his respective party to the terms and conditions set forth herein.

BUREAU OF INDUSTRY AND SECURITY  
U.S. DEPARTMENT OF COMMERCE



Doug R. Hassebrook  
Director  
Office of Export Enforcement

Date: 8 MAR, 2011



Kirk E. Moore  
V.P. Finance, Chief Financial Officer  
TW Metals, Inc.

Date: March 7, 2011



PROPOSED CHARGING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

TW Metals, Inc.  
760 Constitution Drive  
Exton, PA 19341-0644

Attention: Jack Elrod  
President and Chief Executive Officer

Dear Mr. Elrod

The Bureau of Industry and Security, U.S. Department of Commerce (“BIS”), has reason to believe that TW Metals, Inc. of Exton, Pennsylvania (“TW Metals”), has committed 49 violations of the Export Administration Regulations (the “Regulations”),<sup>1</sup> which are issued under the authority of the Export Administration Act of 1979, as amended (the “Act”).<sup>2</sup> Specifically, BIS charges that TW Metals committed the following violations:

**Charges 1-48            15 C.F.R. § 764.2(a) - Engaging in Prohibited Conduct by Exporting Titanium Alloy to the People’s Republic of China Without the Required Licenses**

As described in greater detail in the attached Schedule of Violations, which is incorporated herein, on 48 occasions between on or about April 20, 2004 and on or about August 16, 2007, TW Metals engaged in conduct prohibited by the Regulations by exporting titanium alloy, an item classified under Export Control Classification Number (“ECCN”) 1C202 and controlled for reasons of nuclear nonproliferation, through Canada to the People’s Republic of China without the Department of Commerce licenses required by Section 742.3 of the Regulations. Pursuant to Section 734.2(b)(6) of the Regulations,

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<sup>1</sup> The Regulations are currently codified in the Code of Federal Regulations at 15 C.F.R. Parts 730-774 (2010). The violations charged occurred during 2004 to 2007. The Regulations governing the violations at issue are found in the 2004 to 2007 versions of the Code of Federal Regulations (15 C.F.R. Parts 730-774 (2004-2007)). The 2010 Regulations govern the procedural aspects of this case.

<sup>2</sup> 50 U.S.C. app. §§ 2401- 2420 (2000). Since August 21, 2001, the Act has been in lapse and the President, through Executive Order 13,222 of August 17, 2001 (3 C.F.R., 2001 Comp. 783 (2002)), which has been extended by successive Presidential Notices, the most recent being that of August 12, 2010 (75 Fed. Reg. 50,681 (Aug. 16, 2010)), has continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. § 1701 *et seq.* (2000)).

the export or reexport of items subject to the Regulations that will transit through a country or be transshipped in a country to a new country or are intended for reexport to the new country, are deemed to be exports to the new country. In so doing, TW Metals committed 48 violations of Section 764.2(a) of the Regulations.

**Charge 49 15 C.F.R. § 764.2(a) - Engaging in Prohibited Conduct by Exporting Aluminum Bar to Israel Without the Required License**

As described in greater detail in the attached Schedule of Violations, which is incorporated herein, on or about July 19, 2007, TW Metals engaged in conduct prohibited by the Regulations by exporting aluminum bar, an item classified under ECCN 1C202 and controlled for reasons of nuclear nonproliferation, through Canada to Israel without the Department of Commerce license required by Section 742.3 of the Regulations. Pursuant to Section 734.2(b)(6) of the Regulations, the export or reexport of items subject to the Regulations that will transit through a country or be transshipped in a country to a new country or are intended for reexport to the new country, are deemed to be exports to the new country. In so doing, TW Metals committed one violation of Section 764.2(a) of the Regulations.

\* \* \* \* \*

Accordingly, TW Metals is hereby notified that an administrative proceeding is instituted against it pursuant to Section 13(c) of the Act and Part 766 of the Regulations for the purpose of obtaining an order imposing administrative sanctions, including any or all of the following:

- The maximum civil penalty allowed by law of up to the greater of \$250,000 per violation or twice the value of the transaction that is the basis of the violation;<sup>3</sup>
- Denial of export privileges; and/or
- Exclusion from practice before BIS.

If TW Metals fails to answer the charges contained in this letter within 30 days after being served with notice of issuance of this letter, that failure will be treated as a default. 15 C.F.R. §§ 766.6 and 766.7 (2010). If TW Metals defaults, the Administrative Law Judge may find the charges alleged in this letter are true without a hearing or further notice to TW Metals. The Under Secretary of Commerce for Industry and Security may then impose up to the maximum penalty on each of the charges in this letter.

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<sup>3</sup> See International Emergency Economic Powers Enhancement Act of 2007, Pub. L. No. 110-96, 121 Stat. 1011 (2007).

TW Metals is further notified that it is entitled to an agency hearing on the record if it files a written demand for one with its answer. 15 C.F.R. § 766.6 (2010). TW Metals is also entitled to be represented by counsel or other authorized representative who has power of attorney to represent it. 15 C.F.R. §§ 766.3(a) and 766.4 (2010).

The Regulations provide for settlement without a hearing. 15 C.F.R. § 766.18 (2010). Should TW Metals have a proposal to settle this case, TW Metals or its representative should transmit it through the attorney representing BIS named below.

The U.S. Coast Guard is providing administrative law judge services in connection with the matters set forth in this letter. Accordingly, TW Metals' answer must be filed in accordance with the instructions in Section 766.5(a) of the Regulations with:

U.S. Coast Guard ALJ Docketing Center  
40 S. Gay Street  
Baltimore, Maryland 21202-4022

In addition, a copy of TW Metals' answer must be served on BIS at the following address:

Chief Counsel for Industry and Security  
Attention: Thea D. R. Kendler  
Room H-3839  
United States Department of Commerce  
14th Street and Constitution Avenue, N.W.  
Washington, D.C. 20230

Thea D. R. Kendler is the attorney representing BIS in this case; any communications that TW Metals may wish to have concerning this matter should occur through her. Ms. Kendler may be contacted by telephone at (202) 482-5301.

Sincerely,

Doug R. Hassebrock  
Director  
Office of Export Enforcement

Enclosures

TW Metals, Inc.  
Proposed Charging Letter  
Schedule of Violations  
Page 1 of 2

| Charge No. | Export Date | Destination      | Item Description | ECCN  | Approx. Value | Order No(s).        | Violation            |
|------------|-------------|------------------|------------------|-------|---------------|---------------------|----------------------|
| 1          | 09/17/03    | PRC (via Canada) | Titanium Alloy   | 1C202 | \$3,139.39    | 60150771            | 15 C.F.R. § 764.2(a) |
| 2          | 04/20/04    | PRC (via Canada) | Titanium Alloy   | 1C202 | \$4,477.00    | 60168478            | 15 C.F.R. § 764.2(a) |
| 3          | 05/04/04    | PRC (via Canada) | Titanium Alloy   | 1C202 | \$2,799.00    | 60169422            | 15 C.F.R. § 764.2(a) |
| 4          | 05/21/04    | PRC (via Canada) | Titanium Alloy   | 1C202 | \$2,397.40    | 60170682            | 15 C.F.R. § 764.2(a) |
| 5          | 09/07/04    | PRC (via Canada) | Titanium Alloy   | 1C202 | \$8,057.34    | 60181902            | 15 C.F.R. § 764.2(a) |
| 6          | 11/12/04    | PRC (via Canada) | Titanium Alloy   | 1C202 | \$1,257.26    | 60188252            | 15 C.F.R. § 764.2(a) |
| 7          |             |                  |                  |       |               | 60188253 &          | 15 C.F.R. § 764.2(a) |
| 8          | 12/06/04    | PRC (via Canada) | Titanium Alloy   | 1C202 | \$7,099.78    | 60189716            | 15 C.F.R. § 764.2(a) |
| 9          | 04/26/32    | PRC (via Canada) | Titanium Alloy   | 1C202 | \$4,364.21    | 60193519            | 15 C.F.R. § 764.2(a) |
| 10         | 06/03/05    | PRC (via Canada) | Titanium Alloy   | 1C202 | \$4,662.50    | 60208610            | 15 C.F.R. § 764.2(a) |
| 11         | 07/11/05    | PRC (via Canada) | Titanium Alloy   | 1C202 | \$3,653.18    | 60212041            | 15 C.F.R. § 764.2(a) |
| 12         | 07/11/05    | PRC (via Canada) | Titanium Alloy   | 1C202 | \$3,653.18    | 60209765            | 15 C.F.R. § 764.2(a) |
| 13         | 06/15/05    | PRC (via Canada) | Titanium Alloy   | 1C202 | \$2,248.36    | 60237753 & 60240885 | 15 C.F.R. § 764.2(a) |
| 14         | 04/10/06    | PRC (via Canada) | Titanium Alloy   | 1C202 | \$8,802.68    | 60240825            | 15 C.F.R. § 764.2(a) |
| 15         | 04/24/06    | PRC (via Canada) | Titanium Alloy   | 1C202 | \$1,268.00    | 60242470            | 15 C.F.R. § 764.2(a) |
| 16         | 04/24/06    | PRC (via Canada) | Titanium Alloy   | 1C202 | \$1,268.00    | 60244426            | 15 C.F.R. § 764.2(a) |
| 17         | 05/04/06    | PRC (via Canada) | Titanium Alloy   | 1C202 | \$1,556.00    | 60244868            | 15 C.F.R. § 764.2(a) |
| 18         | 05/31/06    | PRC (via Canada) | Titanium Alloy   | 1C202 | \$1,753.00    | 60247279            | 15 C.F.R. § 764.2(a) |
| 19         | 05/31/06    | PRC (via Canada) | Titanium Alloy   | 1C202 | \$1,753.00    | 60246162            | 15 C.F.R. § 764.2(a) |
| 20         | 05/25/06    | PRC (via Canada) | Titanium Alloy   | 1C202 | \$1,168.46    | 60250970            | 15 C.F.R. § 764.2(a) |
| 21         | 06/28/06    | PRC (via Canada) | Titanium Alloy   | 1C202 | \$1,168.00    | 60249698 & 60249699 | 15 C.F.R. § 764.2(a) |
| 22         | 06/23/06    | PRC (via Canada) | Titanium Alloy   | 1C202 | \$3,420.00    | 60249700            | 15 C.F.R. § 764.2(a) |
| 23         | 06/08/06    | PRC (via Canada) | Titanium Alloy   | 1C202 | \$714.00      | 60247754            | 15 C.F.R. § 764.2(a) |
| 24         | 07/18/06    | PRC (via Canada) | Titanium Alloy   | 1C202 | \$2,324.00    | 60252369            | 15 C.F.R. § 764.2(a) |
| 25         | 07/05/06    | PRC (via Canada) | Titanium Alloy   | 1C202 | \$1,416.00    | 60251370            | 15 C.F.R. § 764.2(a) |
| 26         | 07/27/06    | PRC (via Canada) | Titanium Alloy   | 1C202 | \$3,465.00    | 60253490            | 15 C.F.R. § 764.2(a) |
| 27         | 08/10/06    | PRC (via Canada) | Titanium Alloy   | 1C202 | \$3,535.00    | 60255417            | 15 C.F.R. § 764.2(a) |
| 28         | 08/17/06    | PRC (via Canada) | Titanium Alloy   | 1C202 | \$1,168.00    | 60256171            | 15 C.F.R. § 764.2(a) |
| 29         | 08/23/06    | PRC (via Canada) | Titanium Alloy   | 1C202 | \$2,776.00    | 60257441            | 15 C.F.R. § 764.2(a) |
| 30         | 09/19/06    | PRC (via Canada) | Titanium Alloy   | 1C202 | \$2,336.92    | 60258665            | 15 C.F.R. § 764.2(a) |
| 31         | 09/07/06    | PRC (via Canada) | Titanium Alloy   | 1C202 | \$2,494.00    | 60257991            | 15 C.F.R. § 764.2(a) |
| 32         | 09/26/06    | PRC (via Canada) | Titanium Alloy   | 1C202 | \$2,510.94    | 60260034            | 15 C.F.R. § 764.2(a) |
| 33         | 10/12/06    | PRC (via Canada) | Titanium Alloy   | 1C202 | \$1,168.46    | 60262107            | 15 C.F.R. § 764.2(a) |
| 34         | 10/27/06    | PRC (via Canada) | Titanium Alloy   | 1C202 | \$2,147.00    | 60264831 & 60265451 | 15 C.F.R. § 764.2(a) |
| 35         | 11/06/06    | PRC (via Canada) | Titanium Alloy   | 1C202 | \$2,173.00    | 60265452            | 15 C.F.R. § 764.2(a) |
| 36         | 11/17/06    | PRC (via Canada) | Titanium Alloy   | 1C202 | \$1,854.00    | 60265737            | 15 C.F.R. § 764.2(a) |

TW Metals, Inc.  
Proposed Charging Letter  
Schedule of Violations  
Page 2 of 2

| Charge No. | Export Date | Destination      | Item Description | ECCN  | Approx. Value | Order No(s).        | Violation            |
|------------|-------------|------------------|------------------|-------|---------------|---------------------|----------------------|
| 37         | 12/05/06    | PRC (via Canada) | Titanium Alloy   | 1C202 | \$2,268.00    | 60267620            | 15 C.F.R. § 764.2(a) |
| 38         | 12/15/06    | PRC (via Canada) | Titanium Alloy   | 1C202 | \$3,908.00    | 60269198            | 15 C.F.R. § 764.2(a) |
| 39         | 01/11/07    | PRC (via Canada) | Titanium Alloy   | 1C202 | \$1,620.00    | 60271304            | 15 C.F.R. § 764.2(a) |
| 40         | 01/22/07    | PRC (via Canada) | Titanium Alloy   | 1C202 | \$2,924.00    | 60271803            | 15 C.F.R. § 764.2(a) |
| 41         | 01/25/07    | PRC (via Canada) | Titanium Alloy   | 1C202 | \$685.00      | 60271804            | 15 C.F.R. § 764.2(a) |
| 42         | 02/01/07    | PRC (via Canada) | Titanium Alloy   | 1C202 | \$1,979.00    | 60273853            | 15 C.F.R. § 764.2(a) |
| 43         | 02/15/07    | PRC (via Canada) | Titanium Alloy   | 1C202 | \$1,752.69    | 60274813            | 15 C.F.R. § 764.2(a) |
| 44         | 03/08/07    | PRC (via Canada) | Titanium Alloy   | 1C202 | \$3,344.00    | 60277422 & 60277423 | 15 C.F.R. § 764.2(a) |
| 45         | 06/12/07    | PRC (via Canada) | Titanium Alloy   | 1C202 | \$2,753.84    | 60288920 & 60289396 | 15 C.F.R. § 764.2(a) |
| 46         | 06/20/07    | PRC (via Canada) | Titanium Alloy   | 1C202 | \$2,753.84    | 60291978 & 60291979 | 15 C.F.R. § 764.2(a) |
| 47         | 07/11/07    | PRC (via Canada) | Titanium Alloy   | 1C202 | \$16,523.04   | 60291980            | 15 C.F.R. § 764.2(a) |
| 48         | 07/19/07    | Israel           |                  | 1C202 | \$6,930.00    | 60293262            | 15 C.F.R. § 764.2(a) |
| 49         | 07/19/07    | PRC (via Canada) |                  | 1C202 | \$7,769.46    | 60295044 & 60295042 | 15 C.F.R. § 764.2(a) |
| 50         | 08/16/07    | PRC (via Canada) |                  | 1C202 | \$32,691.30   | 60298582            | 15 C.F.R. § 764.2(a) |